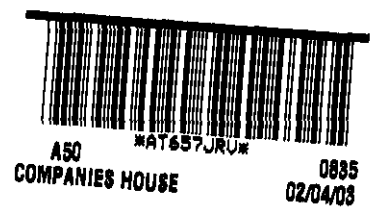


Registered in England No. 2822713

GROSVENOR CONSULTANTS LIMITED

**ANNUAL REPORT AND ACCOUNTS
YEAR TO 31st October 2002**



Directors G. Watson

Secretary S.E. Watson

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1. Report of the Directors

The directors present their annual report with the accounts of the company for the year to 31st October 2002.

1.1 Principal Activity

The principal activity of the company in the period under review is the provision of services in the field of information technology.

1.2 Directors

The directors in office during the period and their beneficial interests in the company's issued ordinary share capital were as follows:

	<u>31st October 2002</u>	<u>31st October 2001</u>
G. Watson	99	99

1.3 Directors' Responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

1.4 Political and Charitable Contributions

During the period the company made no political or charitable contributions.

1.5 Auditors

Under the Companies Act 1985 (Audit Exemption) Regulations 1994, the company has not appointed any auditors.

In preparing the above report, the directors have taken advantage of the special exemptions applicable to small companies.

Signed on behalf of the board of directors



G. Watson
Director

Approved by the board on: 30 March 2003

2. Profit & Loss Account for the year to 31st October 2002

	Notes	Year to 31st October 2002 £	Year to 31st October 2001 £
Turnover	4.2	71136	122083
Cost of Sales		(0)	(0)
GROSS PROFIT		71136	122083
Distribution Costs		(0)	(0)
Administration Expenses		(12858)	(9356)
OPERATING PROFIT	4.3	58278	112727
Profit / (Loss) on Disposal of Fixed Assets		(387)	143
Interest Receivable		1571	977
Interest Payable		(0)	(0)
PROFIT on Ordinary Activities before Taxation		59462	113847
Tax on Profit on Ordinary Activities		(11440)	(22462)
PROFIT for the Financial Year after Taxation		48022	91385
Dividends Paid or Proposed		(80025)	(58245)
RETAINED (LOSS) / PROFIT for the Financial Year		(32003)	33140
RETAINED PROFIT brought forward		38199	5059
RETAINED (LOSS) / PROFIT at 31st October 2002		6196	38199

Continuing Operations

None of the company's activities were acquired or discontinued during the above financial year.

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the profit for the above financial year.

Note of Historical Cost Profits and Losses

The difference between the results disclosed in the profit and loss account and the result on an unmodified historical cost basis is nil.

3. Balance Sheet as at 31st October 2002

	Notes	31st October 2002 £	31st October 2001 £
FIXED ASSETS			
Tangible Assets	4.4	2465	2329
CURRENT ASSETS			
Debtors	4.5	9737	10458
Cash at Bank and in Hand		8863	52152
		<u>18600</u>	<u>62610</u>
CREDITORS: Amounts falling due within one year	4.6	(14704)	(26575)
NET CURRENT ASSETS		<u>3896</u>	<u>36035</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6361	38364
CREDITORS: Amounts falling due after more than one year		(0)	(0)
		<u>6361</u>	<u>38364</u>
CAPITAL AND RESERVES			
Called Up Share Capital	4.7	165	165
Profit and Loss Account		6196	38199
	4.8	<u>6361</u>	<u>38364</u>

The directors have taken advantage of special exemptions conferred by Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company is entitled to those exemptions.

The exemption conferred by S249A(1) not to have these accounts audited applies to the company and the directors confirm that no notice has been deposited under S249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for ensuring that:

- 1) The company keeps accounting records which comply with S221 of the Companies Act 1985, and
- 2) The accounts give a true and fair view of the state of affairs of the company as at 31st October 2002 and of its profit or loss for the period then ended in accordance with the requirements of S226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

Signed on behalf of the board of directors



G. Watson
Director

Approved by the board on: 30 March 2003

4. Notes to the Accounts for the year to 31st October 2002

4.1 Accounting Policies

4.1.1 Basis of Accounting

The accounts have been prepared under the historical cost convention.

4.1.2 Cash Flow

The accounts do not contain a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 - 'Cash Flow Statements'.

4.1.3 Turnover

Turnover represents net invoiced services, excluding VAT.

4.1.4 Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Hardware and Software	33 1/3 % per annum on a reducing balance basis
Office Equipment	33 1/3 % per annum on a reducing balance basis

4.1.5 Deferred Taxation

Provision is made at current rates of taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

4.1.6 Pension Costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the profit and loss account for the year in which they are payable to the scheme.

4.2 Turnover

Turnover is wholly attributable to the geographical market within the UK.

4.3 Operating Profit

The operating profit is stated after charging:

	<u>Year to</u> <u>31st October 2002</u>	<u>Year to</u> <u>31st October 2001</u>
	£	£
Depreciation of tangible fixed assets	1232	1181
Pension costs	0	0
Auditors' remuneration	0	0
	<hr/>	<hr/>
Directors' emoluments:		
For services as directors	5000	5000
Other emoluments	0	0
	<hr/>	<hr/>
	5000	5000
	<hr/>	<hr/>

4.4 Tangible Fixed Assets

	<u>Computer Hardware and Software</u> £	<u>Office Equipment</u> £	<u>Total</u> £
Cost			
At 31st October 2001	4263	581	4844
Additions	1755	0	1755
Disposals	(891)	(223)	(1114)
At 31st October 2002	<u>5127</u>	<u>358</u>	<u>5485</u>
Depreciation			
At 31st October 2001	(2055)	(460)	(2515)
On disposals	548	179	727
Charge for the period	(1206)	(26)	(1232)
At 31st October 2002	<u>(2713)</u>	<u>(307)</u>	<u>(3020)</u>
Net Book Values			
At 31st October 2002	<u>2414</u>	<u>51</u>	<u>2465</u>
At 31st October 2001	<u>2208</u>	<u>121</u>	<u>2329</u>

4.5 Debtors

	<u>31st October 2002</u> £	<u>31st October 2001</u> £
Trade Debtors	9737	10458
Other Debtors	0	0
	<u>9737</u>	<u>10458</u>

4.6 Creditors: Amounts falling due within one year

	<u>31st October 2002</u> £	<u>31st October 2001</u> £
Bank Loans & Overdrafts	0	0
Trade Creditors	0	0
Other Creditors including taxation and social security	14704	26575
	<u>14704</u>	<u>26575</u>

4.7 Called Up Share Capital

	<u>31st October 2002</u> £	<u>31st October 2001</u> £
Authorised		
1000 ordinary shares of £1 each	<u>1000</u>	<u>1000</u>
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>165</u>	<u>165</u>

4.8 Reconciliation of Movements on Shareholders' Funds

	<u>Year to</u> <u>31st October 2002</u> £	<u>Year to</u> <u>31st October 2001</u> £
Profit for the Financial Year after Taxation	48022	91385
Dividends	<u>(80025)</u>	<u>(58245)</u>
	(32003)	33140
 New Share Capital Subscribed	 <u>0</u>	 <u>0</u>
	(32003)	33140
 Opening Shareholders' Funds at 31st October 2001	 38364	 5224
 Closing Shareholders' Funds at 31st October 2002	 <u>6361</u>	 <u>38364</u>